

Message Text

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ACTION EB-07

INFO OCT-01 EA-07 ISO-00 INT-05 AID-05 CIAE-00 COME-00

FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02

OPIC-03 SP-02 LAB-04 EPG-02 SIL-01 OMB-01 /056 W

-----161154Z 089573 /44

R 160938Z JUN 77

FM AMEMBASSY BANGKOK

TO /SECSTATE WASHDC 3292

INFO AMEMBASSY SEOUL

LIMITED OFFICIAL USE BANGKOK 13214

E.O. 11652: N/A

TAGS: EMIN, TH

SUBJ: THAI ZINC: HOME FREE, AT LAST

REF: BANGKOK 4620 AND A-66

1. UNLESS SOMETHING ADVERSE HAPPENS (AND THERE HAVE BEEN
NUMBEROUS SUCH HAPPENINGS IN THE LAST THREE YEARS) OFFICIALS OF
THAI ZINC AND THE DEPARTMENT OF MINERAL RESOURCES WILL SIGN A
CONTRACT ON EITHER JUNE 22 OR JUNE 23, FOR CONSTRUCTIONS OF THE
\$90 MILLION ZINC SMELTER AT TAK IN NORTH CENTRAL THAILAND.

2. UNDER THE TERMS OF THE AGREEMENT, THAI ZINC WILL BE GRANTED
AUTHORITY TO RESUME MINING OPERATIONS AT ITS MOUNTAIN-TOP
CONCESSION AT MAE SOT ON THE BURMA BORDER AND WILL BE OBLIGED
TO COMPLETE CONSTRUCTION OF THE SMELTER WITHIN THREE YEARS.

3. THAI ZINC OFFICIALS HAD HOPED TO CONCLUDE AN AGREEMENT IN
MARCH ON THE BASIS OF AN ENGLISH-LANGUAGE TEXT ON WHICH THE
COMPANY AND THE RTG HAD REACHED AGREEMENT IN PRINCIPLE.
HOWEVER, THE NEGOTIATIONS ENCOUNTERED GREAT DIFFICULTY IN
REACHING AN AGREED THAI LANGUAGE TEXT, WHICH WILL BE THE
OFFICIAL VERSION OF THE CONTRACT. THE CABINET APPROVED
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THE THAI TEXT JUNE 10; BOTH THE ENGLISH AND THAI VERSIONS
ARE AT THE MOMENT AT THE PRINTER'S

4. THE PROPOSED CONTRACT IS SILENT ON FINANCING, BUT THAI
ZINC EXECUTIVES ARE CONFIDENT THIS WILL PROVE TO BE THE
LEAST OF THEIR PROBLEMS. AS A STARTER THAI ZINC WILL
OFFER THE RTG A 45 PERCENT INTEREST IN THE SMELTER PROJECT,

MAINLY FOR PUBLIC RELATIONS PURPOSES; THEY BELIEVE THEY
WILL HAVE TO TURN TO COMMERCIAL AND GOVERNMENT AGENCIES,
SUCH AS THE INTERNATIONAL FINANCE CORP., THE INDUSTRIAL FINANCE
CORP. OF THAILAND, AND THE KOREAN EXPORT-IMPORT BANK, FOR
ACTUAL FUNDING.

5. THE BIRTH AGONIES OF THIS IMPORTANT PROJECT HAVE BEEN
EXCRUCIATING; HOPEFULLY, THE BABY WILL BE BEAUTIFUL, LOVABLE
AND RICH AS CROESUS.

WHITEHOUSE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CONTRACTS, MINING INDUSTRY
Control Number: n/a
Copy: SINGLE
Sent Date: 16-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BANGKO13214
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770215-0234
Format: TEL
From: BANGKOK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770652/aaaabtdm.tel
Line Count: 72
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0312077c-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 BANGKOK 4620
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 12-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2135129
Secure: OPEN
Status: NATIVE
Subject: THAI ZINC: HOME FREE, AT LAST
TAGS: EMIN, TH, THAI ZINC
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/0312077c-c288-dd11-92da-001cc4696bcc
Review Markings:
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